

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2286

AN ACT

AMENDING SECTION 42-16214, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX APPEALS TO COURT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 42-16214, Arizona Revised Statutes, is amended to
3 read:

4 42-16214. Refund or credit of excess payments

5 A. If judgment is awarded to a taxpayer who paid the taxes to the
6 county treasurer:

7 1. The county treasurer of the county in which the property is located
8 shall pay the judgment out of monies collected from property taxes during the
9 next fiscal year, unless there are sufficient amounts available in funds
10 budgeted for that purpose by the county to allow an immediate refund, or, if
11 both parties agree, the amount of the judgment may be credited toward any
12 taxes that may be remaining due on the property that is the subject of the
13 appeal, subject in either case to the approval of the board of supervisors.

14 2. The amount of the judgment shall be subtracted from the amounts due
15 to taxing jurisdictions in the next fiscal year in proportion to the amount
16 each received from the appellant's overpayment of taxes. The affected taxing
17 jurisdictions shall include in their budgets for the next fiscal year the
18 proportional amount of the judgment for which each is liable. Any increase
19 in the budget because of the portion of the judgment being included is not
20 subject to any budget limitation that may be prescribed by law **AND ANY**
21 PORTION OF THE PRIMARY PROPERTY TAX RATE IMPOSED FOR THE PURPOSE OF PAYING
22 THE JUDGMENT SHALL NOT BE INCLUDED IN THE COMPUTATION OF ADDITIONAL STATE AID
23 FOR EDUCATION AS PRESCRIBED IN SECTION 15-972.

24 3. Interest at the legal rate on the overpayment or underpayment is
25 payable from the date of overpayment or underpayment. For the purpose of
26 computing interest under the judgment, if the tax was paid in installments, a
27 pro rata share of the total overpayment or underpayment is considered to be
28 attributable to each installment.

29 4. **NOTWITHSTANDING PARAGRAPH 2, BEGINNING ON THE EFFECTIVE DATE OF**
30 **THIS AMENDMENT TO THIS SECTION THROUGH JUNE 30, 2019. IF THE PROPORTIONAL**
31 **AMOUNT DUE FROM ANY SCHOOL DISTRICT IN A COUNTY WITH A POPULATION OF LESS**
32 **THAN THREE HUNDRED THOUSAND PERSONS EXCEEDS FIVE HUNDRED THOUSAND DOLLARS,**
33 **THE SCHOOL DISTRICT MAY ELECT TO PAY ITS PROPORTIONAL AMOUNT OVER A PERIOD**
34 **NOT TO EXCEED TEN YEARS. ANY INTEREST ON THE PROPORTIONAL AMOUNT**
35 **ATTRIBUTABLE TO A SCHOOL DISTRICT UNDER THIS PARAGRAPH SHALL NOT EXCEED FIVE**
36 **PER CENT PER YEAR. THE PORTION OF THE PRIMARY TAX RATE TO FUND THE**
37 **PROPORTIONAL AMOUNT DUE FROM ANY SCHOOL DISTRICT PURSUANT TO THIS PARAGRAPH**
38 **SHALL NOT BE SUBJECT TO ANY BUDGET LIMITATION THAT MAY BE PRESCRIBED BY LAW**
39 **AND SHALL NOT BE INCLUDED IN THE COMPUTATION OF ADDITIONAL STATE AID FOR**
40 **EDUCATION AS PRESCRIBED IN SECTION 15-972.**

41 B. A judgment in favor of an appellant who paid the taxes to the
42 department shall be paid from the state general fund.

43 Sec. 2. Retroactivity

44 This act is effective retroactively to from and after June 30, 2008.